

# IRISH LAND PURCHASE FUND.

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## ACCOUNTS, 1906-1907.

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ACCOUNTS of RECEIPTS and PAYMENTS by the COMMISSIONERS for the REDUCTION of the NATIONAL DEBT in respect of the Capital and Income of the IRISH LAND PURCHASE FUND, in the Year ended 31st March 1907, together with the REPORT of the CONTROLLER and AUDITOR-GENERAL thereon.

*(Presented pursuant to 3 & 4 Geo. 7. cap. 37. sec. 33.)*

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14 April 1908.*

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# IRISH LAND PURCHASE FUND.

## EXPLANATORY NOTE.

The Irish Land Purchase Fund is a special fund placed under the control of the National Debt Commissioners for the purposes of the Irish Land Act, 1903. As this special fund possesses somewhat peculiar features, a short explanation of these features may be desirable.

The chief means of raising money for the purposes of the Irish Land Act, 1903, is by the creation of guaranteed  $2\frac{1}{2}$  per cent. Stock. This stock is issued for two distinct objects, viz. :—

- (a) To provide cash for advances under the Act - Section 28
- (b) To provide cash for the payment of a bonus of 12 per cent. to vendors - - - Section 47

Cash for advances can also be obtained—

- (c) By temporary borrowing - - - Section 30
- (d) By using the sinking fund for further advances - Section 36

(Provision is made in the Act (Section 36) for the two cases of stock being issued at a discount and at a premium. The issues already made have been at a considerable discount, and a further reference to the case of an issue at a premium does not appear to be necessary at present.)

(a) The stock issued for the purpose of raising money for advances is divided into two parts. In the first place, stock of equal nominal amount to the cash realized by the issue is assigned to the advances account, as the liability for which the cash advanced for land purchase is to provide (Section 36); and the remaining part of the issue is set up as a liability for which an annuity chargeable on the Guarantee Fund is the corresponding asset (Section 36 (8)).

(b) The stock issued for the purpose of realising money for payment of the bonus of 12 per cent. is a liability for which Parliament votes both the interest and sinking fund (Section 47 (2)).

While, therefore, the issue of the Stock is for two objects, the provision for the payment of the dividends and sinking fund in respect of the same comes from three different sources.

It will be seen that the Irish Land Purchase Fund practically comprises three distinct accounts :—

Account I.—Called “Advances Account,” in which the capital raised (or stock of equal nominal amount when cash is raised by this means) has a corresponding asset in the annuities payable by borrowers, with the Guarantee Fund as security for their due payment.

Account II.—Called “Excess Stock Account,” in which the liability comprises the additional amount of stock issued to raise cash for advances, in consequence of issues being made at a discount, the corresponding asset being an annuity chargeable on the Guarantee Fund.

Account III.—Called “Land Purchase Aid Fund,” in which the stock issued to provide the bonus is met by an annuity chargeable on Votes of Parliament.

The annuities payable in each case provide for interest on the capital together with an addition of  $\frac{1}{2}$  per cent. per annum by way of sinking fund for accumulation.

In addition, therefore, to the Irish Land Purchase Fund, consisting of three distinct accounts, each of these accounts contains within itself an accumulation account to provide for the ultimate extinction of the capital liability.

Each of the three accounts above referred to is given in a separate column, the total of such individual accounts forming the Irish Land Purchase Fund.

The "Advances Account" now includes the transactions under the Labourers (Ireland) Act, 1906, 6 Edw. 7. cap. 37. Under section 15 of the same Act, the unexpended balance (£8,478*l.*) on the 31st March, 1906, of the amount received from the Ireland Development Grant is retained as a working balance, and is included in the balance shown on the Income Account (Advances).

In addition to the accounts of receipts and payments, the statement of securities on which the capital has been raised and the balance sheet, two supplementary accounts are given showing (1) the detail of each accumulation account, and (2) the amounts drawn from and repaid to the Guarantee Fund.

National Debt Office.

*G. Hervey,*  
Comptroller-General.

## IRISH LAND

ACCOUNTS OF RECEIPTS AND PAYMENTS by the National Debt Commissioners  
of the IRISH LAND PURCHASE

## CAPITAL

RECEIPTS.												
	Advances Account.			Excess Stock Account.			Land Purchase And Fund.			TOTAL.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Balance on 31st March 1906	—			113	12	1	4,652	16	0	4,766	8	1
Money raised :—												
By creation of Guaranteed 2½ per Cent. Stock.	6,511,175	12	4	—			621,309	6	7	7,132,584	18	11
By loans from Sinking Fund.	61,600	0	0	—			—			61,600	0	0
By temporary borrowings -	675,000	0	0	—			—			675,000	0	0
Sinking Fund receipts -	55,044	15	1	10,002	18	9	8,008	3	7	73,055	15	5
Cash proceeds of securities sold and paid off, viz. :—												
Temporary investments :—												
For 2,190,000l. Treasury Bills sold and paid off.	2,157,669	11	11	—			—			2,157,669	11	11
For 280,000l. Treasury Bills sold and paid off.	—			—			276,400	12	1	276,400	12	1
For 856,000l. Exchequer Bonds sold.	854,595	18	9	—			—			854,595	18	9
For 171,000l. do. -	—			—			170,861	17	6	170,861	17	6
Balance overdrawn 31st March 1907.	121,250	4	7	—			—			121,250	4	7
£	10,486,836	0	8	10,116	10	10	1,081,132	15	9	11,527,585	7	3

## INCOME

Balance on 31st March 1906	52,550	3 7	—		9	8 1
From Irish Land Commission	310,983	4 0	273	10 6	41,630	19 7
„ Guarantee Fund -	75,705	19 1	48,753	3 3	—	
Interest on investments -	32,481	11 8	39	19 5	5,049	8 3
From Ireland Development Grant, for portion of grant allocated to land purchase for year ended 31st March 1907.	50,000	0 0	—		—	
Fractions of pence saved in the payment of dividends.	1	6 10	—		0	2 6
Arrears of annuity instalments and interest recovered.	13,220	8 10	—		—	
£	554,149	14 0	49,066	13 2	46,689	18 5
						629,839 5 7

## PURCHASE FUND.

in the Year ended 31st March 1907, in respect of the CAPITAL and INCOME FUND, per 3 EDW. VII. c. 37.

## ACCOUNT.

## PAYMENTS.

	Advances Account.		Excess-Stock Account.		Land Purchase Aid Fund.		TOTAL.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Balance overdrawn 31st March 1906.	46,048	3 8	—	—	—	—	46,048	3 8
Advanced to Irish Land Commission.	5,382,048	11 0	—	—	671,448	4 9	6,053,496	15 9
Temporary borrowings (Capital Account) repaid.	673,000	0 0	—	—	—	—	673,000	0 0
Cash invested, viz. :— For Sinking Fund :— In loans to Capital Account for further advances.	44,000	0 0	9,700	0 0	7,900	0 0	61,600	0 0
In purchase of 12,5000 guaranteed 2½ per Cent. Stock.	11,000	12 6	—	—	—	—	11,000	12 6
Temporary investments :— In purchase of— 2,320,000. Treasury Bills	2,474,788	19 9	—	—	—	—	2,474,788	19 9
120,000. " "	—	—	—	—	138,128	3 6	138,128	3 6
1,206,000. Exchequer Bonds.	1,203,364	13 9	—	—	—	—	1,203,364	13 9
264,000. Exchequer Bonds	—	—	—	—	263,536	17 6	263,536	17 6
Balance on 31st March 1907 -	—	—	416	10 10	129	10 0	545	0 10
£	10,486,336	0 8	10,116	10 10	1,061,132	15 9	11,557,583	7 8

## ACCOUNT.

Dividends on Guaranteed 2½ per Cent. Stock.	383,758	1 6	48,753	10 11	42,368	4 8	474,754	17 1
Interest on Sinking Fund securities, transferred to Capital Account.	1,040	5 8	413	1 1	250	19 2	1,504	5 6
Interest on temporary borrowings (Capital Account).	692	17 4	—	—	—	—	692	17 4
Net discount on fastalments paid in anticipation in respect of issues of Guaranteed 2½ per Cent. Stock.	3,565	14 2	—	—	396	3 10	3,961	18 0
Interest accrued on Exchequer Bonds at date of purchase.	3,919	4 1	—	—	924	13 1	4,843	17 2
Recovered arrears paid to Guarantee Fund.	14,828	14 3	—	—	—	—	14,828	14 3
Balance on 31st March 1907 -	126,342	17 5	0	1 2	2,869	17 8	129,212	16 8
£	534,142	14 0	49,056	19 2	46,669	16 5	629,899	6 7

## GUARANTEED 2½ PER CENT. STOCK ACCOUNT.

	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Amount of Stock written off and cancelled in the year.	3,856 3 1	757 12 11	—	6,593 18 0
Balance of Stock remaining on 31st March 1907.	17,128,318 4 7	2,161,516 17 11	1,901,444 8 9	21,191,299 11 3
	£ 17,184,094 9 8	2,162,354 10 10	1,901,444 8 9	21,197,893 9 3

## "LOANS FROM SINKING FUND" ACCOUNT, for

Balance of Loans from Sinking Fund to Capital (Advances) Account remaining on 31st March 1907.	100,000 0 0	—	—	100,000 0 0
	£ 100,000 0 0	—	—	100,000 0 0

## IRISH LAND PURCHASE FUND.

## LIABILITIES.

	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
<b>CAPITAL ACCOUNT—</b>				
Value, at par, of amount of Guaranteed 2½ per Cent. Stock remaining.	17,128,223 4 7	2,161,516 17 11	1,901,444 8 9	21,191,299 11 3
Value, at par, of amount of "Loans from Sinking Fund" remaining.	100,000 0 0	—	—	100,000 0 0
<b>SINKING FUND ACCOUNT—</b>				
Balance remaining on 31st March 1907.	162 15 5	416 10 10	201 19 7	781 5 10
<b>INCOME ACCOUNT—</b>				
Balance remaining on 31st March 1907.	126,342 17 5	0 1 2	2,869 17 8	129,219 16 3
	£ 17,858,548 17 5	2,162,033 9 11	1,904,516 6 0	21,424,393 13 4

for the Year ended 31st March 1907.

	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balance of Stock on 31st March 1906.	10,622,918 17 4	1,373,530 8 2	1,201,444 8 9	13,197,898 9 8
Amount of Stock created in the year.	6,511,176 12 4	788,824 7 8	700,000 0 0	8,000,000 0 0
£	17,134,094 9 8	2,162,354 10 10	1,901,444 8 9	21,197,898 9 8

the Year ended 31st March 1907.

Balance of Loans on 31st March 1906.	42,000 0 0	—	—	42,000 0 0
Amount of Loans from Sinking Fund to Capital (Advances) Account in the year.	61,600 0 0	—	—	61,600 0 0
£	103,600 0 0	—	—	103,600 0 0

BALANCE SHEET, 31st MARCH 1907.

ASSETS.				
	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Accumulated amount of Sinking Fund.	79,000 6 6	18,486 6 8	15,101 19 7	112,688 12 4
Outstanding amount to be accumulated with Sinking Fund payments.	16,498,782 3 1	2,143,030 11 8	1,793,739 19 9	20,435,552 18 6
Temporary investments:—				
440,000 <i>l.</i> Treasury Bills	425,700 0 0	—	—	425,700 0 0
350,000 <i>l.</i> Exchequer Bonds	348,768 15 0	—	—	348,768 15 0
98,000 <i>l.</i> do.	—	—	92,675 0 0	92,675 0 0
Cash at Banks of England and Ireland.	5,092 12 10	416 12 0	2,999 7 8	8,508 12 6
£	17,858,843 17 5	2,162,038 9 11	1,904,516 6 0	21,424,898 18 4

National Debt Office,  
31st March 1907.G. Hersey,  
Comptroller General.

I certify that this Account has been examined under my directions, and is correct.

Examined,  
C. H. Archibald.John A. Keage  
Comptroller-General of His Majesty's Exchequer, and  
Auditor-General of Public Accounts.

# SUPPLEMENTARY ACCOUNTS.

## Income Fund Accounting Account as 31st March 1907.

	Advances Account.			Income Fund Account.			Land Purchase and Fossils.			Total.		
	£	s	d	£	s	d	£	s	d	£	s	d
Amount to Bal. Statement of 1st March 1907	5,387	15	1	5,387	15	1	—	—	—	5,387	15	1
Transfers to Capital (Advances) Account	75,000	0	0	75,000	0	0	14,000	0	0	109,000	0	0
Cash introduced	—	—	—	—	—	—	351	18	7	351	18	7
Standard value of Securities sold	75,000	0	0	14,000	0	0	14,301	18	7	113,001	18	4

## Guarantee Fund Account for the Year ended 31st March 1907.

Receipts from Guarantee Fund.				Paid to Guarantee Fund.					
Balance as 31st March 1906	£	s	d	Repaid on dividend of interest	£	s	d		
	11,387	0	1		14,000	18	0		
For interest in respect of advances { Capital 5,000 to 1st March 11,387 to 31st March }		14,000	0	0					
For deficiency of Income		11,387	18	10					
Amounts in respect of Income Stock { Capital 15,000 to 31st March 44,710 to 31st March }		47,390	17	7	Balance as 31st March 1907		104,000	18	0
	£	109,427	0	11	£	109,427	0	11	

By Special Order of the  
Committee,  
31st March 1907.

Witnessed,  
C. H. Ashbridge.

I certify that this document has been examined under my direction, and is correct.

By Henry,  
Comptroller-General.

By J. H. Henry,  
Comptroller-General of the Empire's Exchequer, and  
Auditor-General of Public Accounts.



# IRISH LAND PURCHASE FUND.

## REPORT of the COMPTROLLER and AUDITOR-GENERAL.

1. The Account of the Capital and Income of the Irish Land Purchase Fund, prepared by the Commissioners for the Reduction of the National Debt, for the year ended 31st March 1907 has been examined by my Department and is presented to Parliament in accordance with Section 33 of the Irish Land Act, 1903. Account under Irish Land Act, 1903.

2. The account shows the Stock created, and the money raised, under Sections 28 and 47 of the Act, by the issue of Guaranteed 2½ per cent. Stock. It also shows the money advanced to the Irish Land Commissioners for the purposes of the Act, the amount received through the Land Commissioners for Sinking Fund purposes and for payment of dividends, and the sum received under Section 38 from the Ireland Development Grant, together with the temporary investments, and the working of the various Sinking Funds. Scope of Account.

3. The total amount of Stock created to 31st March 1907 was 21,201,444l. 8s. 9d., of which 17,137,226l. 14s. 4d., was for the Advances Account, 2,162,773l. 5s. 8d. for the Excess Stock Account, and 1,901,444l. 8s. 9d. for the Land Purchase Aid Fund. Stock created, &c.

The amount of Stock purchased out of Sinking Fund balances and cancelled to 31st March 1907, was on Advances Account 8,988l. 9s. 9d., on Excess Stock Account 1,156l. 7s. 9d., and the Balance of Stock remaining on 31st March 1907 on all Accounts was 21,191,299l. 11s. 3d.

4. A prefatory Note attached to the Account explains the three heads under which it has been prepared by the National Debt Commissioners, and also shows the amount, 98,478l., stated to have been the unexpended balance on 31st March 1906 of the amount received from the Ireland Development Grant, which is retained as a working balance under the terms of Section 15 of the Labourers (Ireland) Act, 1906. Heads of Account.

## CAPITAL ACCOUNT.

5. The money raised by the creation of Stock during the year, 7,132,384l. 18s. 11d., was supplemented by loans of 61,000l. from the Sinking Fund; and a sum of 675,000l. was temporarily borrowed and repaid. Money raised.

6. Issues to the Irish Land Commissioners for the purposes of the Land Purchase Acts amounted in the year 1906-07 to 6,653,491l. 15s. 9d., of which 5,982,948l. 11s. was for the Advances Account and 671,443l. 4s. 9d. for the Aid Fund. The total advances to the Irish Land Commissioners for the Land Purchase Aid Fund since the Act has been in force amounted on the 31st March 1907 to 1,594,009l. 15s. 10d. Issues.

7. The amount carried to the Sinking Funds during the year in respect of advances and interest on Securities was 73,055l. 15s. 5d., including on the Advances Account 55,044l. 13s. 1d., on the Excess Stock Account 10,002l. 18s. 9d., and on the Aid Fund 8,008l. 3s. 7d. Receipts.

8. The temporary investments of cash were, on 31st March 1907, represented by Treasury Bills, 440,000l., held for the Advances Account, and Exchequer Bonds, 443,000l., of which 350,000l. was also held for the Advances Account, and 93,000l. for the Aid Fund. Investments.

## INCOME ACCOUNT.

9. In addition to the amounts received from the Irish Land Commission and the Guarantee Fund for the purposes of the Income Accounts, the receipts included a sum of 50,000l., being a fourth and last payment, from the Ireland Development Grant, in accordance with Section 38 of the Irish Land Act, 1903, and 37,570l. 19s. 4d. as Interest on Investments. Income.

## AID FUND.

Aid Fund.

10. A sum of 41,380*l.* 0*s.* 5*d.* for dividends on the Aid Fund Stock, together with 7,757*l.* 4*s.* 5*d.* for the Sinking Fund, was provided by the Vote for the Irish Land Commission, Class III., Vote 16, 1906-07.

## SINKING FUNDS.

Sinking  
Funds.

11. Out of the total receipts for the Sinking Funds, viz.:—

	£	s.	d.
To 31st March 1906 - - - -	47,740	17	3
In 1906-07 - - - -	73,055	15	5
	<u>120,795</u>	<u>12</u>	<u>8</u>

a total amount of 120,800*l.* was loaned to the Capital Account for further advances, 16,415*l.* 6*s.* 10*d.* was applied to the purchase of Guaranteed 2½ per Cent. Stock, and the balance of cash 781*l.* 5*s.* 10*d.* was uninvested.

John A. Kempe,

Comptroller-General of the Receipt and Issue  
of His Majesty's Exchequer and  
Auditor-General of Public Accounts.

Exchequer and Audit Department,  
31st March 1908.